

FISCAL NOTE

SB 705 - HB 1960

March 28, 2005

SUMMARY OF BILL: Expands the definition of “qualified public use facility (QPUF)” to include any privately owned or operated project that involves a local investment of public funds exceeding \$75.0 million, and is reasonably anticipated to attract private investment of more than \$50.0 million.

ESTIMATED FISCAL IMPACT:

Increase Local Govt. Revenues – Exceeds \$100,000

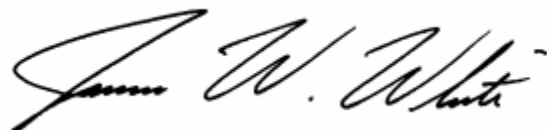
Other Fiscal Impact - To the extent any such QPUF would have been constructed regardless of whether this bill passes, state sales and use tax revenues would *decrease* by a certain amount based on the incremental sales occurring at the newly developed facility. To the extent any such QPUF is contingent upon the passage of this bill, the state would *forgo* a certain amount of sales and use tax revenue based on incremental sales occurring at the newly developed facility. Such amount is estimated to exceed \$100,000 per year.

Assumptions:

- The fiscal impact of this bill is dependent upon the number and scope of projects undertaken that meet the specified criteria identified in this bill.
- To the extent any such QPUF would have been constructed regardless of whether this bill passes, state sales and use tax revenues would *decrease* by a certain amount based on the incremental sales occurring at the newly developed facility.
- To the extent any such QPUF is contingent upon the passage of this bill, the state would *forgo* a certain amount of sales and use tax revenue based on incremental sales occurring at the newly developed facility.
- Any decreased or forgone state revenues would result in a corresponding increase to local government revenues, which would be earmarked to repay the debt incurred to build the QPUF.
- Estimating a precise amount of decreased or forgone state revenue is very difficult and dependent on several mitigating factors. However, the amount is reasonably estimated to exceed \$100,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director